

## Commodity Credit Corporation, USDA

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- (5) Product samples;
- (6) Slotting fees or similar sales expenditures;
- (7) The purchase, construction or lease of space for permanent displays, i.e., displays lasting beyond one activity plan year;
- (8) Rental, lease or purchase of warehouse space;
- (9) Coupon redemption or price discounts;
- (10) Refundable deposits or advances;
- (11) Giveaways, awards, prizes, gifts and other similar promotional materials in excess of \$1.00 per item;
- (12) Alcoholic beverages that are not an integral part of an approved promotional activity;
- (13) The purchase, lease (except for use in authorized travel status) or repair of motor vehicles;
- (14) Travel of applicants for employment interviews;
- (15) Unused non-refundable airline tickets or associated penalty fees except where travel is restricted by U.S. government action or advisory;
- (16) Independent evaluation or audit, including activities of the subcontractor if CCC determines that such a review is needed in order to ensure program compliance;
- (17) Any arrangement which has the effect of reducing the selling price of an agricultural commodity;
- (18) Goods and services and salaries of personnel provided by U.S. industry or foreign third party;
- (19) Membership fees in clubs and social organizations;
- (20) Indemnity and fidelity bonds;
- (21) Fees for participating in U.S. Government sponsored activities, other than trade fairs and exhibits;
- (22) Business cards;
- (23) Seasonal greeting cards;
- (24) Office parking fees;
- (25) Subscriptions to publications;
- (26) Home office domestic administrative expenses, including communication costs;
- (27) [Reserved]
- (28) Payment of U.S. and foreign employees or contractors share of personal taxes, except as legally required in a foreign country, and;
- (29) Any expenditure made for an activity prior to CCC's approval of that activity or amendment.

(e) The Deputy Administrator may determine, at the Deputy Administrator's discretion, whether any cost not expressly listed in this section will be reimbursed.

(f) For a generic promotion activity involving the use of company names, logos or brand names, the MAP participant must ensure that all companies seeking to promote U.S. agricultural commodities have an equal opportunity to participate in the activity.

(g) For a brand promotion activity, CCC will reimburse at a rate equal to the percentage of U.S. origin content of the promoted agricultural commodity or at a rate of 50 percent, whichever is the lesser, except that CCC may reimburse for a higher rate if:

(1) There has been an affirmative action by the U.S. Trade Representative under Section 301 of the Trade Act of 1974 with respect to the unfair trade practice cited and there has been no final resolution of the case; and

(2) The participant shows, in comparison to the year such Section 301 case was initiated, that U.S. market share of the agricultural commodity concerned has decreased; and

(3) In such case, CCC shall determine the appropriate rate of reimbursement.

(h) CCC will reimburse for expenditures made after the conclusion of participant's activity plan year provided:

(1) The activity was approved prior to the end of the activity plan year;

(2) The activity was completed within 30 calendar days following the end of the activity plan year; and

(3) All expenditures were made for the activity within 6 months following the end of the activity plan year.

[60 FR 6363, Feb. 1, 1995, as amended at 61 FR 3548, Feb. 1, 1996; 61 FR 24206, May 14, 1996; 61 FR 32644, June 25, 1996; 63 FR 29940, June 2, 1998; 63 FR 32041, June 11, 1998]

### § 1485.17 Reimbursement procedures.

(a) A format for reimbursement claims is available from the Division Director. Claims for reimbursement shall contain the following information:

- (1) Activity type—brand or generic;
- (2) Activity number;
- (3) Commodity aggregate code;
- (4) Country code;
- (5) Cost category;

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(6) Amount to be reimbursed;

(7) If applicable, any reduction in the amount of reimbursement claimed to offset CCC demand for refund of amounts previously reimbursed, and reference to the relevant Compliance Report; and

(8) If applicable, any amount previously claimed that has not been reimbursed.

(b) All claims for reimbursement shall be submitted by the participant's U.S. office to the Director, Marketing Operations Staff, FAS, USDA.

(c) In general, CCC will not reimburse a claim for less than \$10,000 except that CCC will reimburse a final claim for a participant's activity plan year for a lesser amount.

(d) CCC will not reimburse claims submitted later than 6 months after the end of a participant's activity plan year.

(e) If CCC reimburses a claim with commodity certificates, CCC will issue commodity certificates with a face value equivalent to the amount of the claim which shall be in full accord and satisfaction of such claim.

(f) If CCC overpays a reimbursement claim, the participant shall repay CCC within 30 days the amount of the overpayment either by submitting a check payable to CCC or by offsetting its next reimbursement claim.

(g) If a participant receives a reimbursement or offsets an advanced payment which is later disallowed, the participant shall within 30 days of such disallowance repay CCC the amount owed either by submitting a check payable to CCC or by offsetting its next reimbursement claim.

(h) The participant shall report any actions having a bearing on the propriety of any claims for reimbursement to the Attache/Counselor and its U.S. office shall report such actions in writing to the Division Director(s).

## § 1485.18 Advances.

(a) *Policy.* In general, CCC operates MAP and EIP/MAP on a reimbursable basis. CCC will not advance funds to an EIP/MAP participant or to an MAP participant for brand promotion activities.

(b) *Exception.* Upon request, CCC may advance payments to an MAP partici-

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pant for generic promotion activities. Prior to making an advance, CCC may require the participant to submit security in a form and amount acceptable to CCC to protect CCC's financial interests. Total payments advanced shall not exceed 40 percent of a participant's approved annual generic activity budget. However, CCC will not make any advance to an MAP participant where an advance is outstanding from a prior activity plan year.

(c) *Refunds due CCC.* A participant shall expend the advance on approved generic promotion activities within 90 calendar days after the date of disbursement by CCC. A participant shall return any unexpended portion of the advance, plus a prorated share of all proceeds generated (i.e., premiums generated from certificate sales and interest earned), either by submitting a check payable to CCC or by offsetting its next reimbursement claim. All checks shall be mailed to the Director, Marketing Operations Staff, FAS, USDA.

## § 1485.19 Employment practices.

(a) An MAP participant shall enter into written contracts with all employees and shall ensure that all terms, conditions, and related formalities of such contracts conform to governing local law.

(b) An MAP participant shall, in its overseas office, conform its office hours, work week and holidays to local law and to the custom generally observed by U.S. commercial entities in the local business community.

(c) An MAP participant may pay salaries or fees in any currency (U.S. or foreign) if approved by the Attache/Counselor. However, participants are cautioned to consult local laws regarding currency restrictions.

## § 1485.20 Financial management, reports, evaluations and appeals.

(a) *Financial management.* (1) An MAP participant shall implement and maintain a financial management system that conforms to generally accepted accounting principles.

(2) An MAP participant shall institute internal controls and provide written guidance to commercial entities participating in its activities to ensure